I don't see how anyone can see charging a USF fee and having the ILECs manage the resulting fund would help propogate high speed internet access at an affordable rate. I live in a fairly urbanized area, yet my cable company still can't offer me net access. I use an ISP for my DSL service because the phone company couldn't do it.

Just because an ILEC can offer service doesn't mean they will. Most are already a monopoly because we have no other choices. They buy up the wireless spectrum and sit on it to keep anyone else from competing with them.